



MARCIA J. NIELSEN, PhD, MPH
Executive Director

K A N S A S
KANSAS HEALTH POLICY AUTHORITY

ANDREW ALLISON, PhD
Deputy Director

For immediate release:
October 4, 2006

Megan Ingmire, Communications Director
785.296.8146

KHPA: MCO vendor protest decision is good news for Kansans
Director of Purchases upholds KHPA's decision to contract with UniCare and Children's Mercy Family Health Partners

Today, the Kansas Health Policy Authority (KHPA) welcomed the Department of Administration's Director of Purchases' decision to uphold KHPA's decision of awarding managed care organization (MCO) contracts to UniCare Health Plan of Kansas, Inc. and Children's Mercy Family Health Partners.

"As we have known for some time, the process for selecting UniCare and Children's Mercy Family Health Partners was a fair one. That decision was reaffirmed today by the Director of Purchases. This is good news for Kansans, and we are looking forward to our new vendors serving beneficiaries beginning January 1, 2007," said Dr. Marcia Nielsen, Executive Director of KHPA.

In August, KHPA awarded two new contracts for beneficiaries in the state Medicaid and HealthWave (State Children's Health Insurance Program) programs, citing their affordability and technical proposals. Two unsuccessful bidders, Coventry and FirstGuard/Centene, which is the current vendor, and whose contract ends December 31, 2006, protested the decision to the Director of Purchases.

"UniCare and Children's Mercy Family Health Partners are good economic choices for Kansas and both have a history of providing quality health care. By choosing these two vendors, it is anticipated that the state could save between \$10 and \$15 million dollars," said Dr. Nielsen.

In addition to these savings, the Kansas Health Policy Authority chose UniCare and Children's Mercy Family Health Partners because they had the best technical proposals in terms of value added options for beneficiaries and quality management.

With the protest now resolved, the Kansas Health Policy Authority continues to move forward with the implementation date of January 1, 2007. This timeframe was set during the competitive bidding process in February of this year, when the Request for Proposal was issued by the then-Division of Health Policy and Finance.

Both UniCare and Children's Mercy Family Health Partners have been actively recruiting providers. Additional recruitment of providers will be a priority over the next three months, and will be monitored closely by KHPA.

"We encourage providers who want to serve Medicaid and HealthWave beneficiaries in Kansas to contract with at least one, if not both, of the new managed care contractors soon. This will allow for a smooth transition and adequate access for the low-income families we serve," said Dr. Nielsen. "I realize this will require many providers to make a timely decision about contracting and we have heard your concerns about the timing of the contract and the capability of the contractors. An efficient transition is, of course, the priority for

Address: Rm. 900-N, Landon Building, 900 SW Jackson Street, Topeka, KS 66612-1220

**Medicaid and State Children's
Health Insurance (SCHIP) Programs:**
Phone: 785-296-3981
Fax: 785-296-4813

**State Employee Health
Benefits and Plan Purchasing:**
Phone: 785-296-6280
Fax: 785-368-7180

State Self Insurance Fund:
Phone: 785-296-2364
Fax: 785-296-6995

the KHPA, and we will be working closely with providers and beneficiaries to continue implementing our transition plan.”

Regular updates on the Medicaid managed care transition can be found at www.khpa.ks.gov

#

safe:morris